



# Iowa Department of Human Services

Kim Reynolds  
Governor

Adam Gregg  
Lt. Governor

Jerry R. Foxhoven  
Director

## INFORMATIONAL LETTER NO.1904-MC-FFS

**DATE:** May 3, 2018

**TO:** Iowa Medicaid Targeted Case Managers, Integrated Health Home (IHH), Waiver and Habilitation Providers

**APPLIES TO:** Managed Care (MC) and Fee-for-Service (FFS)

**FROM:** Iowa Department of Human Services (DHS), Iowa Medicaid Enterprise (IME)

**RE:** Home- and Community-Based Services (HCBS) Settings Extension Date

**EFFECTIVE:** Upon Receipt

In March 2014, the Centers for Medicare and Medicaid Services (CMS) promulgated rules to assure that all residential and non-residential settings where HCBS Waiver and Habilitation services are provided, are integrated community based settings by March 17, 2019. CMS required that all states develop an initial statewide transition plan (STP) to identify how each state would assess the operation and implementation of the programs, including all residential and non-residential settings.

In May 2017, CMS extended the timeline for full compliance in response to states for more time to demonstrate compliance with the regulatory requirements and ensure compliance activities are collaborative, transparent, and timely. The date for full compliance with the HCBS settings rule has been extended by CMS to March 17, 2022.

Iowa completed the assessment of all existing non-residential settings on March 31, 2018. Providers have either come into compliance with the settings rules or are currently collaborating with the IME HCBS Quality Oversight Unit to develop a corrective action plan (CAP) that fully addresses the needed changes and establishes reasonable timelines for compliance. The HCBS Quality Oversight Unit will monitor the provider CAP to ensure progress is being made towards full compliance prior to March 17, 2022. Providers that cannot develop an acceptable CAP or fail to make progress towards the implementation of the CAP for non-residential services will no longer be eligible for Medicaid funds and will be terminated from enrollment with the Medicaid program prior to March 17, 2022.

The residential setting assessment process requires a case manager or IHH care coordinator to enter a completed HCBS residential setting member assessment directly into the Iowa Medicaid Portal Access (IMPA) system. Due to unexpected delays, the projected March 31, 2018, timeline for completion of all initial residential assessments in IMPA was not met.

The IME petitioned CMS to modify the completion date for those assessments. CMS has granted permission for all current residential assessments to be completed and entered at the next annual member service plan renewal date. This will allow the annual residential setting assessment to be scheduled and conducted as part of the annual service planning process. If the member's residential assessment has been completed but not entered into IMPA, it is recommended that a case manager or IHH care coordinator upload the assessment within the next 90 days, but will have until the member's next annual service plan review date to enter the assessment data into IMPA.

It is expected that all HCBS Waiver and Habilitation members receiving HCBS will have a completed HCBS residential setting member assessment uploaded to IMPA by March 31, 2019, and annually thereafter. The HCBS Quality Assurance Unit, in conjunction with the MCOs, will actively monitor HCBS Waiver and Habilitation service plan renewals for completion of the residential assessment.

Please forward any questions concerning this informational letter to [hcbsettings@dhs.state.ia.us](mailto:hcbsettings@dhs.state.ia.us).